

§3242.2 Production and use of commercially demineralized water as a byproduct, production, and use of other sources of water.

§3242.2-1 General.

Except as provided in these regulations, or the lease, the lessee shall have the right to process fluids, including brine, condensate, and other fluids, which are associated with geothermal steam within lands subject to the geothermal lease for the purpose of developing, producing, and utilizing the commercially demineralized water recovered as a result of such processing.

§3242.2-2 Prohibition on production of commercially demineralized water.

The lessee shall not be authorized to engage in the primary production of commercially demineralized water from the produced fluids contained in or derived from geothermal steam referred to in §3242.2-1 of this title, where such use would result in the undue waste of geothermal energy.

[38 FR 35097, Dec. 21, 1973, as amended at 53 FR 17372, May 16, 1988]

§3242.2-3 Water wells on geothermal areas.

All leases issued under these regulations shall be subject to the condition that, where the lessee finds only potable water in any well drilled for production of geothermal resources, the Secretary may, when the water is of such quality and quantity as to be valuable and useable for agricultural, domestic, or other purpose, acquire the well with casing installed in the well at the fair market value of the casing.

§3242.2-4 State water laws.

Nothing in these regulations shall constitute an express or implied claim or denial on the part of the Federal Government as to its exemption from State water laws.

Subpart 3243—Cooperative Conservation Provisions

§3243.1 Cooperative or unit plans.

To conserve the natural resources of any geothermal pool, field or like area

more properly, lessees and their representatives may unite with each other or jointly or separately with others, in collectively adopting and operating under a cooperative or unit plan of development or operation or any geothermal resource area, or any part thereof (whether or not any part of that geothermal resource area is then subject to any cooperative or unit plan of development or operation). Applications to unitize shall be filed with the authorized officer who shall certify whether such plan is necessary or advisable in the public interest. The procedure in obtaining approval of a cooperative or unit plan of development, the provisions for the supervision of the cooperative or unit plan, and a suggested text of an agreement, are contained in part 3280 of this title.

[38 FR 35097, Dec. 21, 1973, as amended at 53 FR 17372, May 16, 1988]

§3243.2 Acreage chargeability.

All leases committed to any unit or cooperative plan approved or prescribed by the authorized officer shall be excepted in determining holdings or control for purposes of acreage chargeability. For the extension of leases committed to a unit plan, see subpart 3203 of this title.

[38 FR 35097, Dec. 21, 1973, as amended at 53 FR 17372, May 16, 1988]

§3243.3 Communitization or drilling agreements.

§3243.3-1 Approval.

(a) When separate tracts under lease cannot be independently developed and operated in conformity with an established well-spacing or well-development program, the authorized officer may approve or require lessees to enter into communitization or drilling agreements providing for the apportionment of production or royalties among the separate tracts of land comprising the drilling or spacing unit for the lease, or any portion thereof, with other lands, whether or not owned by the United States, when found in the public interest. Operations or production pursuant to such an agreement shall be deemed to be operations or production as to each lease committed thereto.